

PROCEEDINGS OF THE LAFAYETTE PUBLIC UTILITIES AUTHORITY OF THE CITY-PARISH OF LAFAYETTE, STATE OF LOUISIANA, TAKEN AT A REGULAR MEETING OF JANUARY 20, 2004.

ATTENDANCE

COUNCIL: Marc Mouton (Vice Chair), Christopher J. Williams, Ph.D., Louis C. Benjamin, Jr., Bruce Conque

ABSENT: Rob Stevenson (Chair)

COUNCIL STAFF: Norma Dugas (Clerk), Monica Fontenot (Administrative Assistant)

ADMINISTRATIVE STAFF: L.J. Durel, Jr. (City-Parish President), Terry Huval (Director of Utilities), Becky Lalumia (Director of Finance & Management), Eleanor Bouy (Interim Director of Planning, Zoning & Codes), John Mouton (Assistant City-Parish Attorney)

COMMENCEMENT

(TAPE 1)(SIDE A)(001)AGENDA ITEM NO. 1: Call to order.

Vice Chair Marc Mouton called the Lafayette Public Utilities Authority Meeting of January 20, 2004 to order.

EXECUTIVE/PRESIDENT'S REPORT

(TAPE 1)(SIDE A)(003)AGENDA ITEM NO. 2: President's Report.
None was given.

(TAPE 1)(SIDE A)(006)AGENDA ITEM NO. 3: LUS Director's Report.

a. Status of recruitment efforts

Terry Huval gave a brief presentation on the status of LUS employee recruitment efforts. Beginning in 1999, LUS started having difficulties retaining experienced technical employees in its Electric and Power Plant Operations areas. Other utility companies were taking experienced employees from LUS at pay rate levels 20% to 40% more than LUS was paying. In order to maintain operations, LUS was forced to secure contractors at significantly higher costs. By 2002, those costs had reached \$1.5 million per year more than if LUS had properly paid its own employees.

By working with R.W. Beck, Civil Service, Human Resources and the Administration, a Market-aligned Pay Plan (MAPP) was recommended to and approved by the Civil Service Board in November 2002. Through a rigorous process, this plan identified positions, which were out-of-market based on verifiable market data. It eliminated "entitlement-oriented" across-the-board and longevity pay adjustments and instead substituted all pay adjustments to be related either to the market or to performance. The MAPP implementation would have resulted in an annual cost savings to LUS of \$900,000. Unfortunately the Civil Service staff, and some Civil Service Board members, contaminated the plan by indiscriminately adding positions to the MAPP without the support of verifiable market-data. As such, the LPUA and Council elected not to adopt the MAPP due to concerns of a potential "Domino Effect" of positions and decided not to approve the plan.

Therefore, the Administration, Civil Service and Human Resources developed an alternative plan to address positions, which were out-of-market. This plan retained some of the less-desirable aspects of Civil Service structure, such as across-the-board increases, and did not include performance-based pay. This allowed the employees to be paid up to the maximum of the existing pay range based on certain market-related criteria. Although it was less desirable and less visionary, the alternative plan provided some relief for the positions identified as market-sensitive within the LUS electrical area. It also included a small number of non-LUS positions that were also identified as market sensitive. LUS' plan of action is to continue to search out experienced candidates for open positions, reduce contractor resources as new employees adapt to their new positions and request reconsideration of the original MAPP, with appropriate implementation.

Benjamin felt that with cross-training, LUS could possibly ensure employee longevity, however, Huval responded that the problem lies with the experienced employees who are seeking better paying jobs. Upon questioning by Williams, Huval stated LUS still continues to work with a market-sensitive plan. Huval wanted to inform the Council that he will continue to try and look for ways to fill the positions that are currently vacant; however, he still has concerns with the loss of employees to other utility companies who are offering higher rates of pay.

Huval explained when a vacant position is advertised, it is at the minimum pay range; however, the problem lies with attracting a candidate at the range. The minimum pay range is considered to be on the out-of-market scale. Civil Service has approved to advertise at the mid-point range of the position and it has been successful in attracting candidates for employment.

ORDINANCES FOR FINAL ADOPTION

(TAPE 1)(SIDE A)(411)AGENDA ITEM NO. 4: O-001-2004(LPUA) An ordinance of the Lafayette Public Utilities Authority providing for the abandonment of portions of the public alleys in Block 2 and Block 3 of McComb Addition. A motion to defer by Williams, seconded by Conque, and the vote was as follows:

YEAS: Williams, Benjamin, Conque, Mouton

NAYS: None

ABSENT: Stevenson

RECUSED: None

Motion to defer was approved.

Eleanor Bouy explained that abandonment of the alley is a one block area. The location of the subject abandonment is behind the Washington Life Building. The U.S. Bankruptcy Court is considering relocating into the Washington Life Building but have concerns regarding safety issues. Assistant City-Parish Attorney John Mouton explained there are two parcels that are being abandoned. On one parcel, the utility easement will be retained on the entire width and length of the parcel and the second parcel is being abandoned in its entirety. There will be a portion of Vine Street that will remain open; however, the purpose of the abandonment was for security purposes. Ms. Bouy understands that the U.S. Bankruptcy Court plans to block off the alley and both ends of the street and is requesting no access in the public alley for security reasons.

Upon questioning by Williams, Mouton confirmed USBC is not purchasing the building but will be entering into a lease. Williams expressed his concerns regarding access to various buildings within that vicinity and limited parking spaces. At this point, Williams made a motion to defer the ordinance, seconded by Conque.

(TAPE 1)(SIDE A)(523)AGENDA ITEM NO. 5: O-002-2004(LPUA) An ordinance of the Lafayette Public Utilities Authority amending Ordinance No. O-017-2003 (LPUA), Sections 3 and 4 to include additional limits for the North Booster Well and Storage Facility Project. A motion to approve by Benjamin, seconded by Williams, and the vote was as follows:

YEAS: Williams, Benjamin, Conque, Mouton

NAYS: None

ABSENT: Stevenson

RECUSED: None

Motion was approved.

(TAPE 1)(SIDE A)(533)AGENDA ITEM NO. 6: O-003-2004(LPUA) An ordinance of the Lafayette Public Utilities Authority providing for the abandonment of a portion of a utility niche on Lot D-77 in Phase VI-A of the Village of River Ranch, having a municipal address of 809 Richland Avenue. A motion to approve by Williams, seconded by Conque, and the vote was as follows:

YEAS: Williams, Benjamin, Conque, Mouton

NAYS: None

ABSENT: Stevenson

RECUSED: None

Motion was approved.

COMMENTS FROM THE PUBLIC

(TAPE 1)(SIDE A)(545)AGENDA ITEM NO. 7: Comments from the public on other matters.

No speakers

ADJOURN

There being no further business to come before the LPUA, Vice Chair Mouton declared the Regular LPUA meeting adjourned.

Norma A. Dugas
Clerk of the Council